

November 14, 1986

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MEMORANDUM FOR THE RECORD

SUBJECT: Investigation of Southern Air Transport (SAT)

At 11:30 a.m., November 14, Major General Richard Secord, USAF (Ret.) called his office to advise that the President of SAT had just called him to inform that U.S. Customs officers had again requested all of the company's financial records. This request was being made pursuant to an investigation regarding SAT's role in supporting the Nicaraguan democratic resistance.

Because SAT is involved in supporting the January 1986 Covert Action Finding on Iran, MGEN Secord was concerned that providing the company records for the Nicaraguan resistance investigation would reveal SAT's role in supporting the Iran covert action.

SAT aircraft and pilots were used to support the six deliveries to Iran in 1985 and 1986 and company records would reflect these activities.

This problem was discussed with Mr. Oliver Revell, Associate Director of the FBI, at 12:00 noon on November 14. He advised that ten days ago he had received guidance from Attorney General Meese to "suspend" the investigation of Major General Secord's involvement in support of the Nicaraguan resistance and that the Attorney General had discussed the Customs' investigation of SAT with Treasury Secretary Jim Baker. On Mr. Revell's advice, North called Associate Attorney General Stephen Trott to solicit his advice on this matter.

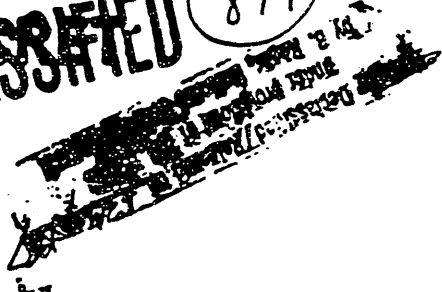
At 12:10 p.m. on November 14, Trott advised North by secure phone that the Secord and SAT involvement with the Iran covert action had been the subject of a discussion between Trott and the Attorney General and a separate discourse between the Attorney General and Treasury Secretary Baker. Trott indicated that Secretary Baker had planned to advise Customs regarding sensitivity to SAT's involvement in sensitive U.S. Government operations.

Trott informed that he would discuss this matter immediately with Attorney General Meese and indicated that he (Trott) fully understood the need not to divulge SAT or Secord's roles in support of the Iran covert action. Trott indicated that he would advise us of the results.



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